

BUCKEYE PARTNERS, L.P.

January 27, 2012

Five TEK Park 9999 Hamilton Boulevard Breinigsville, Pennsylvania 18031 Tel (610) 904-4000 Fax (610) 904-4541

Mr. Byron Coy Director, Eastern Region Pipeline and Hazardous Materials Safety Administration U. S. Department of Transportation 820 Bear Tavern Road, Suite 103 West Trenton, NJ 08628

RE: Line PY742PL Delaware River Crossing Anomaly Repair

Notice of Probable Violation and Proposed Compliance Order CPF 1-2011-5013

Dear Mr. Coy:

Buckeye Partners, L.P. (Buckeye) received the referenced "Notice of Probable Violation and Proposed Compliance Order" (NOPV) on December 30, 2011 from the Pipeline and Hazardous Materials Safety Administration (PHMSA). This NOPV, which was the result of PHMSA's denial of Buckeye's Special Permit request dated September 9, 2010, was issued for a dent that is located on the top of the PY742PL pipeline under the Delaware River. The following are Buckeye's responses to each of the items listed in the Proposed Compliance Order section of the NOPV.

1. In regards to Item Number 1 of the Notice pertaining to 195.452 (h)(4)(i)(D), Buckeye must verify that the referenced control valve is installed correctly on the PY742PL pipeline and that the set point is adjusted to protect the integrity of the pipeline from pressure surges.

Buckeye's plans are to remove the existing control valve and install a replacement control valve and related equipment that will better protect the pipeline from pressure surges that may be detrimental to the integrity of the pipeline.

2. In regards to Item Number 1 of the Notice pertaining to 195.452 (h)(4)(i)(D), Buckeye must complete the repair of the subject dent on PY742PL pipeline within 18 months of issuance of a Final Order.

Buckeye's plans are to install a new river crossing by the directional drill method and abandon the pipe section under the river that contains the dent. Buckeye is in the process of acquiring all required permits for this project and will complete the installation within the 18 month time limit to be set in the Final Order.

3. In regards to Item Number 2 of the Notice pertaining to 195.475, Buckeye must bring its PY742PL pipeline into compliance with 195.575 within 18 months of issuance of a Final Order.

As per the response to item 2 above, Buckeye will install a new river crossing within the 18 month time frame of Final Order issuance and abandon the pipe section under the river that contains the shorted casing.

- 4. To assure safe operation, Buckeye must commence periodic shut-in integrity tests on its PY742PL pipeline. These tests will include, but not limited to:
 - a. Suspending operation at a moderate pressure level for one (1) hour and documenting the pressure over that interval; and
 - b. Analyzing any pressure variations that occurred during that one (1) hour interval.

Buckeye must perform the test at least once every sixteen (16) days. The initial test must be performed within 30 days of issuance of the Final Order. Buckeye must continue to perform these shut-in integrity tests until items 2 and 3 above are completed.

Buckeye will conduct shut-in integrity tests at least once every sixteen (16) days until the new river crossing is placed into service. These tests will commence within 30 days of Final Order issuance.

Buckeye remains fully committed to maintaining a safe operation of this pipeline both now and into the future. We greatly appreciate your office's cooperation in the resolution of Buckeye's repair plans and the issues related to this NOPV and Proposed Compliance Order.

Please direct all future communications concerning this NOPV to my attention. If you have any questions, or need additional information, please feel free to contact myself or John Reinbold, Regulatory Compliance Group Leader at 610-904-4185 or by e-mail at jreinbold@buckeye.com.

Sincerely,

Thomas S. (Scott) Collier

Vice President, Performance Assurance & Asset Integrity

Buckeye Partners, LP

Office Phone: 610-904-4922 Mobile Phone: 484-951-0221 Email: tcollier@buckeye.com

cc:

J.R. Walls

J.B. Reinbold

C.A. Ostach

J.J. Mattis